IVAR **we listen, and learn together**

LEADING IN UNCERTAINTY with IVAR

'Stop changing the goal posts'

Supporting charities to navigate prolonged uncertainty
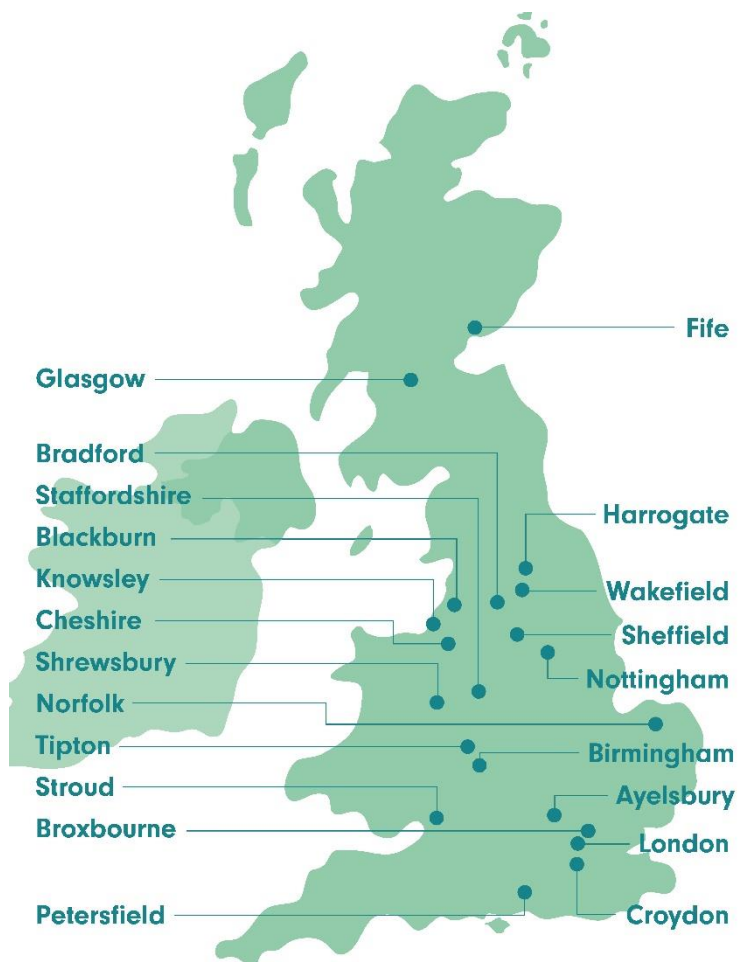
April 2024

Introduction

Since April 2020, IVAR has offered facilitated online peer support groups for leaders of charities as they manage the unprecedented pressures of the outbreak of Covid-19 and the many aftershocks that have followed. More than 660 leaders have taken the opportunity of a safe space to pause and reflect with other leaders.

From the start, part of IVAR's offer has been to feedback to funders the challenges that charities are facing, and to share their views on what funders can do to help. Our aim is to support the collective effort, seen in the Open and Trusting Grant-making community and elsewhere, to create a more equitable and productive relationship between funders and charities in tackling what lies ahead.

At the beginning of 2024, 28 charity leaders from across the UK came together to share their experiences and support each other.

This short briefing shares some key concerns and charities' ideas on how funders can most helpfully respond.

We heard from 28 charity leaders based across the UK:

Fife

Glasgow

Bradford

Staffordshire

Blackburn

Knowsley

Cheshire

Shrewsbury

Norfolk

Tipton

Stroud

Broxbourne

Petersfield

Harrogate

Wakefield

Sheffield

Nottingham

Birmingham

Ayelsbury

London

Croydon

enquiries@ivar.org.uk
ivar.org.uk

What is front of mind for charity leaders?

Charity leaders continue to grapple with the pressures of prolonged instability and rising need. Five key concerns stand out:

1. The burden of the cost of living crisis
2. The pressure on services
3. The stress of fundraising
4. The challenges of environmental work
5. *The emotional strain of leadership*

1. The burden of the cost of living crisis

Charity leaders remain preoccupied and burdened by the cost of living crisis:

> *'It's hitting us as organisations, as well as our beneficiaries.'*

Some mentioned an increasing squeeze on organisational funds as a result of spiralling overhead costs (such as heating). Others are dealing with rising staffing costs as they try to respond to the changing needs of their workforce, who are facing domestic cost pressures themselves.

The impact of the cost of living crisis on organisations' ability to retain both staff and volunteers is also front of mind for leaders. Volunteer capacity is reducing as individuals are required to work more hours or simply *'don't have the energy'*, given how strained life can be in the current context. Some members of staff are also leaving in order to seek alternative, better-paid employment. And for frontline staff – the lowest paid workers, experiencing first-hand the impact of the cost of living crisis on those they support – '*feelings of burnout and apathy*' are increasingly widespread.

2. The pressure on services

Some leaders focused on the impact of '*strained public services*' on their organisation:

> *'We are propping up statutory services without the necessary support to do so.'*

Reduced funding from public sector bodies was also discussed, leading to concerns about the potential loss of well-evidenced, effective services**,** as well as staff redundancies at a time when more people need support:

> *'The NHS is impenetrable and council funding isn't available as they are in deficit. Their usual response has been: "We would like to form contracts as you are a tried and tested service with good outcomes, but we have no money to offer".'*

3. The stress of fundraising

This concern was echoed by other leaders who felt that funders, generally, have a preference for '*new and innovative projects instead of a model that works*'. This not only makes it difficult to retain existing services, it is also making it harder than ever for

organisations to stand out, as well as undermining the kind of collaborative effort embraced during the pandemic:

> *'Competition is fiercer than ever.'*

This focus on new and innovative projects is adding to the time pressure that charity leaders feel, as they are having to *'identify new deliverables, or find new ways to articulate our offer'*:

> *'Funders need to stop changing the goal posts.'*

4. The challenge of environmental work

For leaders of environmental focused charities, the urgency and scale of change required to tackle the climate crisis is what is keeping them awake at night:

> *'We need seismic change, and we need it fast.'*

In this context, leaders are very concerned about how to inspire and activate change, whilst acknowledging the limits of what one organisation can achieve alone:

> *'The biggest hurdle is a lack of joined up activity to make change at scale.'*

In particular, a *'diabolical political environment'*, together with the low-risk threshold of many trustee boards and funders, are inhibiting decisive and swift action:
.

> *'There isn't time to be slow, risk averse or stuffy.'*

Leaders in the environmental sector are also grappling with how to overcome barriers to partnership working and collaboration: '*There are lots of people working on the same agenda, but they are missing each other somehow'.* In addition, how best to engage the next generation in a way that '*stops young people getting so worried that they disengage'* is a widespread preoccupation.

5. The emotional strain of leadership

The emotional strain of leadership continues to be acute. Throughout the peer support sessions, leaders used words such as '*frustration'*, '*despair'*, and '*exhaustion'* when reflecting on their current state. For many, there is no space or time to think or breathe:

> *'As a sector, we are just expected to always be delivering.'*

> *'I am exhausted, but I also feel my feet are tied to the pedals and I am unable to stop.'*

For smaller charities – where there is often no senior management team, and trustee or volunteer capacity is hard to secure – leading can feel *'very lonely'.* Increased competition for funding, and reduced collaboration, is adding to this feeling. And for environmental and social justice organisations, *'looking at the end of life as we know it'* and needing to try and hold on to some form hope, is draining and depleting.

Positive thinking and action by charity leaders

Charity leaders are not passive in the face of these challenges. They shared two ideas:

1. Self-care
2. Managing fundraising and funding relationships

1. Self-care

Leaders offered the following learning about how they support their own wellbeing, in the context of often feeling overwhelmed by prolonged upheaval and uncertainty:

- **Carve out time to protect staff wellbeing and morale** by '*taking time out',* finding opportunities throughout the year to experience '*fun and joyful activities*', and '*taking time to celebrate successes'.*

- **Find ways to '*replenish your energies'* –** whether through mentoring relationships, seeking opportunities to be exposed to new ideas and perspectives, or simply taking time '*to walk your dog or listen to music'.*

- **Be honest and realistic about what is achievable** – '*We're all just humans, doing our best. We're not miracle workers'.*

- **Focus on what unites you with other organisations, and generously share your ideas,** '*keeping the bigger picture in mind at all times*' – '*We are stronger together'.*

2. Managing fundraising and funding relationships

Practical ways in which leaders are navigating funding processes and expectations include:

- **Developing a strong evidence base** to be '*confident in what you deliver, knowing that it works for the communities you serve*'.

- **'*Focusing on value proposition'*** so that they are really clear about what their organisation has to offer: '*this can help when making decisions about what funding to apply for and how to make the case for investment*'.

- **Considering corporate funding opportunities,** identifying where there may be shared interests or objectives. This can lead to opportunities to bring in unrestricted funding and/or business support.

What can funders do to help?

Charity leaders have learned a huge amount in recent years about how to work with long-term stress and uncertainty. This shows itself in the many practical ways they are approaching current challenges to their services and to their teams.

Despite some shifts forward in funder practice, '*funding is a constant issue*'. Leaders know that even relatively small changes in funder practice will both support charities and add value to any grant that they make. Their discussion focused on themes that are, by now, familiar to many funders – above all, the need to adopt funding processes and systems that remove any unnecessary pressure from an already stretched workforce.

The four key messages for funders are to:

1. Provide long-term and unrestricted funding
2. Speed up and simplify funding processes
3. Find ways to support collaboration and partnership working
4. Take time to develop a relationship with funded partners

1. Provide long-term and unrestricted funding

Providing long-term and unrestricted funding not only reduces the burden on charities having to constantly apply for funding, it also enables organisations to continue to deliver their most well-evidenced and effective services over time. Furthermore, this type of funding enables organisations to contribute towards systemic change, which '*takes time to achieve and, by its very nature, requires organisations to be able to flex and adapt*'.

2. Speed up and simplify funding processes

Easing the strain and uncertainty of the funding experience could include:

- **Reducing the monitoring and reporting burden:** '*This will enable us* [charities] *to spend more time on delivery*'.

- **Making timely funding decisions:** '*This will help capitalise on the momentum, enthusiasm and optimism*' that often exists at the start of a funding process, which can be '*hard to maintain … during long waiting periods*'.

3. Find ways to support collaboration and partnership working

This could '*enable organisations to capitalise on each other's strengths and work together to support wider systemic change*'. How this is achieved will require care, to ensure that collaborations are sustainable over time, '*rather than simply creating a honey pot which, when it finishes, the collaboration disperses*'. Providing core, long-term and unrestricted funding is arguably one way to do this.

4. Take time to develop a relationship with funded partners

For many leaders, opportunities to interact more with their funders could '*enable constructive dialogue and the building of mutual understanding and trust*'. In turn, it is felt that this could allow funded organisations to prioritise '*meeting the needs of their clients rather than deliver something that primarily meets the funder's requirements*'. It also allows organisations an opportunity to '*show how passionate we are about what we are doing*', which isn't always possible on paper. However, it will always be important that relationships are '*proportionate and do not overburden each other*':

> *'It's really just about being more human.'*

Concluding thoughts

Some of the challenges facing charity leaders have changed since IVAR's peer support sessions began in April 2020 (shortly after the first national lockdown) but it is clear that their organisations continue to be buffeted and beleaguered by a turbulent operating environment.

During and immediately following the pandemic, we witnessed how funders adjusted their funding systems and processes to minimise burdens and maximise flexibility for funded organisations. This enabled charity leaders to adapt and respond to the needs of their organisational beneficiaries *and* their workforce: they were trusted to know best.

The benefits of this approach for charities were palpable[1]. It enabled them to:

1. Be more responsive to their beneficiaries' priorities
2. Be more agile in the light of changing needs
3. Focus more energy on mission and outcomes
4. Learn and share openly
5. Plan more confidently

Despite exponential growth in demands for services in the voluntary sector – such that, for many communities, they have replaced public services as '*essential provision*' – most charities remain woefully under-resourced and stretched to the limit.

In that context, it feels vital that they are given what they need to do their best work. For that to happen, we will need to move beyond *discussions* about the theoretical merits of more flexible funding to the actual *adoption* of the Open and Trusting Grant-making practices that charities know will make most difference: multi-year funding; unrestricted funding; and light touch application and reporting processes.

---

[1] https://www.ivar.org.uk/publication/get-the-basics-right-findings-from-the-funding-experience-survey/

Further reading

IVAR continues to support leaders and funders by providing spaces for learning and dialogue, to encourage a deeper understanding of what leaders, and their organisations, need from funders.

Our work is underpinned by our *Open and Trusting Grant-making* initiative for funders and our *Leading in Uncertainty* peer support sessions for charities, where we hope to understand and inform positive changes to practice.

We invite leaders and funders to sign up for our newsletter, to find out more about how to participate in these communities; and to access useful insights.

Authorship and acknowledgements